

Gás Natural Açú S.A.

**Interim financial information
as of June 30, 2019**

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Gás Natural Açú S.A.

Balance sheet

June 30, 2019 and December 31, 2018

(In thousand of Reais)

	Note	Parent Company		Consolidated	
		6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Asset					
Current					
Cash and cash equivalents	3	7,649	5,161	30,345	60,447
Escrow account	4	-	-	200	200
Accounts receivables	5	4,796	19,899	-	-
Other advances		121	146	286	207
Recoverable taxes	6	61	75	1,322	961
Income taxes and contributions recoverable	6	1,740	-	2,350	490
Prepaid expense	7	965	4	169,000	46,328
Derivatives		-	-	3,514	-
Other receivables		11	1	170	4
Total current assets		15,343	25,286	207,187	108,637
Non-current					
Prepaid expense	7	11	13	18,717	20,978
Judicial deposits		-	-	116	-
Deferred taxes	8	-	-	14,912	7,019
Derivatives		-	-	1,518	-
Escrow account		-	-	10,974	-
Recoverable taxes	6	40	-	488	-
Investments	9	1,159,791	541,614	-	-
Property, plant and equipment	10	3,125	3,234	2,523,581	803,422
Intangible assets	11	15	15	30,934	30,828
Right-of-use assets	12	3,388	-	289,045	-
Total non-current assets		1,166,370	544,876	2,890,285	862,247
Total assets		1,181,713	570,162	3,097,472	970,884

Gás Natural Açú S.A.

Balance sheet

June 30, 2019 and December 31, 2018

(In thousand of Reais)

	Note	Parent Company		Consolidated	
		6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Liabilities					
Current					
Suppliers	13	219	380	181,472	9,284
Salaries and charges payable	14	1,069	2,543	8,078	7,676
Accounts payable	5	4,460	4,034	741,328	6,175
Income and social contribution taxes payable	15	73	172	6,551	2,670
Derivatives		-	-	2,224	-
Income and social contribution taxes payable	15	1,132	-	1,184	-
Trade accounts payable	16	-	-	6,856	9,579
Leases liabilities	12	331	-	24,694	-
Total current liabilities		7,284	7,129	972,387	35,384
Non-current					
Leases liabilities	12	3,389	-	271,378	-
Provision for contingencies		-	-	386	-
Derivatives		-	-	3,383	-
Trade accounts payable	16	-	-	16,200	21,385
Total non-current liabilities		3,389	-	291,347	21,385
Shareholders' equity					
Share capital	17	614,058	141,833	614,058	141,833
Advance for future capital increase		-	300,624	-	300,624
Capital reserve		614,058	169,577	614,058	169,577
Other comprehensive income		5,581	11,719	5,581	11,719
Adjustment of equity valuation		12,834	-	12,834	-
Retained earnings (Accumulated losses)		(75,491)	(60,720)	(75,491)	(60,720)
Total shareholders' equity attributed to controlling shareholders		1,171,040	563,033	1,171,040	563,033
Minority interest		-	-	662,698	351,082
Total shareholders' equity		1,171,040	563,033	1,833,738	914,115
Total liabilities and shareholders' equity		1,181,713	570,162	3,097,472	970,884

Gás Natural Açú S.A.

Statement of operations

Six-month periods ended June 30, 2019 and 2018

(In thousand of Reais)

Note	Parent Company		Consolidated		Parent Company		Consolidated		
	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)	
Operating expenses									
Administrative expenses	18	4,103	(12,472)	(36,728)	(15,142)	(2,519)	(8,054)	(23,010)	(10,446)
Impairment and other losses	3	-	-	2	(23)	3	-	2	(23)
Other revenues		7	-	7	-	7	-	7	-
Other expenses		(6)	-	(6)	-	(6)	-	(6)	-
Net income before financial revenue (expenses)		4,104	(12,472)	(36,725)	(15,165)	(2,515)	(8,054)	(23,007)	(10,469)
Financial Revenue/Expense									
Finance income	19	228	136	9,813	1,040	89	102	7,346	994
Finance expenses	19	(132)	(9)	(5,776)	(348)	(79)	1	(4,148)	61
Share of loss of equity-accounted investees	9	(17,839)	(1,916)	-	-	(8,740)	(1,472)	-	-
Loss before tax		(13,639)	(14,261)	(32,688)	(14,473)	(11,245)	(9,423)	(19,809)	(9,414)
Current income and social contribution taxes	8	(1,132)	-	(1,184)	(174)	608	-	579	(174)
Deferred income and social contribution taxes	8	-	-	7,893	-	-	-	3,500	-
Loss for the period		(14,771)	(14,261)	(25,979)	(14,647)	(10,637)	(9,423)	(15,730)	(9,588)
Attributable to:									
Owners of the parent		(14,771)	(14,261)	(14,771)	(14,261)	(10,637)	(9,423)	(10,637)	(9,423)
Non-controlling interest		-	-	(11,208)	(386)	-	-	(5,093)	(165)
Loss for the period		(14,771)	(14,261)	(25,979)	(14,647)	(10,637)	(9,423)	(15,730)	(9,588)

Gás Natural Açú S.A.

Statement of comprehensive loss

Six-month periods ended June 30, 2019 and 2018

(In thousand of Reais)

	Parent Company		Consolidated		Parent Company		Consolidated	
	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)
Loss for the period	(14,771)	(14,261)	(25,979)	(14,647)	(10,637)	(9,423)	(15,730)	(9,588)
Gain / (loss) on the percentage change in investee	(6,138)	22,699	(6,138)	22,699	(3,351)	(18,624)	(3,351)	(18,624)
Realized gains / (losses) on hedge	(370)	-	(370)	-	(9,230)	-	(9,230)	-
Income tax and social contribution on other comprehensive income	-	-	-	-	3,012	-	3,012	-
Cost of hedging reserve	4	-	4	-	7	-	7	-
Other comprehensive income for the period, net tax	(366)	-	(366)	-	(6,210)	-	(6,210)	-
Total comprehensive loss for the period	(21,275)	8,438	(32,483)	8,052	(20,198)	(28,047)	(25,291)	(28,212)

Gás Natural Açú S.A.

Statements of changes in shareholders' equity

Six-month periods ended June 30, 2019 and 2018

(In thousand of Reais)

	Share capital		Capital reserve		Other comprehensive income			Accumulated loss	Shareholders' Equity - parent company	Non-controlling shareholder's equity	Total shareholders' equity
	Subscribed	Uncalled	Premium on shares	Advance for future capital increase	Subscription Bonus - reflex	Adjustment of equity valuation	Gain / (loss) on the percentage change in investee				
Balance as of January 1, 2018	16,021	-	-	15,656	13,200	-	-	(40,337)	4,540	1	4,541
Loss for the period	-	-	-	-	-	-	-	(14,261)	(14,261)	(386)	(14,647)
Advance for future capital increase	-	-	-	(15,656)	-	-	-	-	(15,656)	-	(15,656)
Premium on new shares	-	-	156,377	-	-	-	-	-	156,377	-	156,377
Contribution of participation in GNA Infra	-	-	-	-	-	-	22,699	-	22,699	203,016	225,715
Contribution of participation in UTE GNA II	-	-	-	-	-	-	-	-	-	64	64
Balance as of June 30, 2018 (not reviewed)	141,833	-	156,377	-	13,200	-	22,699	(54,598)	279,511	202,695	482,206
Loss for the period	-	-	-	-	-	-	-	(6,122)	(6,122)	(6,231)	(12,353)
Capital increase	14,544	-	-	-	-	-	-	-	14,544	-	14,544
Uncalled capital	-	(14,544)	-	-	-	-	-	-	(14,544)	-	(14,544)
Advance for future capital increase	-	-	-	300,624	-	-	-	-	300,624	-	300,624
Contribution of participation in GNA Infra	-	-	-	-	-	-	(10,980)	-	(10,980)	(146,422)	(157,402)
Contribution of participation in UTE GNA I	-	-	-	-	-	-	-	-	-	294,132	294,132
Contribution of participation in UTE GNA II	-	-	-	-	-	-	-	-	-	6,908	6,908
Balance as of December 31, 2018	156,377	(14,544)	156,377	300,624	13,200	-	11,719	(60,720)	563,033	351,082	914,115
Loss for the period	-	-	-	-	-	-	-	(14,771)	(14,771)	(11,208)	(25,979)
Capital increase	459,702	-	-	(300,624)	-	-	-	-	159,078	-	159,078
Uncalled capital	-	12,523	-	-	-	-	-	-	12,523	-	12,523
Premium on new shares	-	-	457,681	-	-	-	-	-	457,681	-	457,681
Contribution of participation in GNA Infra	-	-	-	-	-	-	(6,138)	-	(6,138)	6,119	(19)
Contribution of participation in UTE GNA I	-	-	-	-	-	-	-	-	-	316,705	316,705
Derivatives	-	-	-	-	-	(366)	-	-	(366)	-	(366)
Balance as of June 30, 2019 (not reviewed)	616,079	(2,021)	614,058	-	13,200	(366)	5,581	(75,491)	1,171,040	662,698	1,833,738

Gás Natural Açú S.A.

Statements of cash flows

Six-month periods ended June 30, 2019 and 2018

(In thousand of Reais)

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)
Cash flows from operating activities				
Loss before tax	(13,639)	(14,261)	(32,688)	(14,473)
Adjustments for:				
Depreciation and amortization	659	-	7,425	-
Write-off property, plant and equipment	6	-	6	-
Exchange loss	-	-	(482)	-
Provisions	-	-	386	-
Share of profit (loss) of equity-accounted investees	17,839	1,916	-	-
Adjusted net loss	4,865	(12,345)	(25,353)	(14,473)
(Increase) decrease in assets and increase (decrease) in liabilities:				
Recoverable taxes	(1,765)	(32)	(2,709)	(288)
Prepaid expense	(959)	-	(120,411)	(23,409)
Other advances	25	(293)	(79)	(302)
Other receivables	(10)	-	(166)	(4)
Escrow account	-	-	(10,273)	(200)
Judicial deposits	-	-	(116)	-
Accounts receivables	15,103	(8,464)	-	-
Suppliers	(161)	(3,067)	172,188	28,407
Accounts payable	426	133	1,149	1,045
Taxes payables	(99)	88	3,881	2,388
Trade accounts payable	-	-	(8,127)	(10,000)
Salaries and charges payable	(1,474)	445	402	1,396
Net cash used in operating activities	15,951	(23,535)	10,386	(15,440)
Cash flows from investing activities				
Acquisition of PPE	(62)	-	(986,397)	(239,853)
Acquisition of intangible	-	(15)	(106)	(615)
Right-of-use assets	(162)	-	(162)	-
Capital increase in subsidiary	(321,256)	(263,295)	-	-
Capital reserve increase in subsidiary	(321,265)	-	-	-
Derivatives - Hedge	-	-	(5,929)	-
Net cash provided by investing activities	(642,745)	(263,310)	(992,594)	(240,468)
Cash flows from financing activities				
Controller shareholder - share capital	171,601	125,812	171,601	125,812
Non-controller shareholder - share capital	-	22,699	322,824	225,779
Advance for future capital increase	-	(15,656)	-	(15,656)
Capital reserve	457,681	156,377	457,681	156,377
Net cash provided by financing activities	629,282	289,232	952,106	492,312
Increase (decrease) in cash and cash equivalents	2,488	2,387	(30,102)	236,404
At the beginning of the period	5,161	22	60,447	1,435
At end of the period	7,649	2,409	30,345	237,839
Increase (decrease) in cash and cash equivalents	2,488	2,387	(30,102)	236,404

Notes to the interim financial information

(In thousands of Reais, unless stated otherwise)

1 Operations

Gás Açú SA ("GNA HoldCo" or "Company"), formerly known as SDX Investimentos Ltda., was incorporated on October 15, 2014. On October 19, 2017 the Company was transformed from a limited company to a privately held corporation. It has a direct controlling shareholder of Prumo Logística S.A. ("Prumo") and indirect controlling company BP Global Investments ("BP"). GNA HoldCo has a corporate investment in Natural Gas Açú Infraestrutura S.A ("GNA Infra"), UTE GNA II Geração de Energia Ltda ("UTE GNA II") and Gás Natural Açú Comercializadora ("GNA Comercializadora").

The Company and its subsidiaries' ("GNA Group") core activity is the purchase and sale of liquefied natural gas ("LNG"), processing, beneficiation and treatment of natural gas resulting from offshore production and the regasification of LNG, the generation, transmission and sale of energy and electricity capacity and intermediation in the purchase and sale of energy and electric capacity.

The GNA I project entails the construction of a combined-cycle gas-fired thermoelectric power station with an output of approximately 1,300 MW which will handle the contractual obligations of UTE Novo Tempo under its energy trading contracts, an LNG regasification terminal ("Regasification Terminal"), with the capacity to import natural gas for the UTE GNA I project and future power plants and other potential projects in the industrial complex of Porto do Açú, in addition to comprising the development of the "Açú Gas Hub", strategically located in the north-east of Rio de Janeiro state, which offers efficient logistical solutions for the sale and consumption of natural gas and related products.

2 List of subsidiaries

	Country	Ownership interest	
		6/30/2019	12/31/2018
Direct subsidiary			
Gás Natural Açú Infraestrutura ("GNA Infra")	Brazil	95.03%	90.66%
UTE GNA II Geração de Energia Ltda ("GNA II")	Brazil	49.50%	49.50%
Gás Natural Açú Comercializadora de Energia Ltda ("GNA Comercializadora")	Brazil	99.00%	99.00%
Indirect subsidiary			
UTE GNA I Geração de Energia S.A ("GNA I")	Brazil	67.00%	67.00%

3 Cash and cash equivalents

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Cash and bank deposits	55	52	314	158
Short-term investments				
Short-term investments	-	-	44	-
Securities held under repurchase agreements	-	-	16,689	-
CDB's (a)	7,595	5,110	13,302	60,295
	7,595	5,110	30,035	60,295
	7,650	5,162	30,349	60,453
Provision for expected loss (b)	(1)	(1)	(4)	(6)
Total	7,649	5,161	30,345	60,447

- (a) The balance of cash and cash equivalents at June 30, 2019 consists of a current account and a CDB application at Santander, which are readily convertible into a known amount of cash and are subject to an insignificant risk of change in value.
- (b) The estimated financial losses were calculated based on the loss rates of a Corporate Default study published by S&P on April 5, 2018, referring to 15 years of data collected by S & P on the default risk of companies at each level rating.

Cash and cash equivalents are held with banking and financial counterparties, which are grouped into 5 levels, separated by AAA and BB according to their rating on Fitch Ratings, Moody's and Standard & Poor's. As shown in the table below, the counterparties in which the Company has outstanding balances as of June 30, 2019 are classified in AAA, based on the average of their ratings in the rating companies listed above.

The estimated loss position in cash and cash equivalents was calculated based on the expected loss rate of 12 months and reflects the maturity dates of the risk exposures.

In thousand reais

Level of Risk	Rating	Gross Balance	Loss rate (1)	Provision for loss
Level 1	AAA	30,349	0.01%	(4)

Loss Rate considers the Global Corporate Average Default Rate for 1 year released by S & P on 4/5/2018

4 Escrow account

On June 30, 2019 and December 31, 2018, the balance of bank deposits is R\$ 200, consisting of the guarantee pledge for competitive tenders 3/2018 of the public notice, containing the construction and exploration of port facilities in the region of São João da Barra by Antaq.

5 Related parties

The Company adopts practices of Corporate Governance and/or recommendations required by law. Furthermore, the Company's Corporate Governance Policy establishes that the members of the Board of Directors must monitor and administrate any potential conflicts of interest among the executive officers, the members of the Board and the partners, in such a way as to avoid the inappropriate use of Company assets and, especially, abusive conduct in transactions between related parties.

In compliance with Corporation Law, all members of the Company's Board of Directors are prohibited from voting in any assembly or meeting of the Board, or from acting in any operation or business transaction in which there are interests in conflict with those of the Company.

The main balances of related-party assets and liabilities as of June 30, 2019 and December 31, 2018, as well as the related-party transactions that affected income for the period, are the result of transactions between the Company and its subsidiaries, members of Management and other related parties, as follows:

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Assets:				
Accounts receivables				
GNA Infra	-	1,639	-	-
UTE GNA 1	2,826	17,171	-	-
UTE GNA 2	1,970	1,089	-	-
Total assets	4,796	19,899	-	-
Liabilities:				
Accounts payables				
GNA Infra	75	188	-	-
UTE GNA 1	409	-	-	-
Prumo Logística S.A.	2,715	2,665	5,395	4,585
Porto do Açú Operações S.A.	1,261	1,181	1,929	1,590
Siemens Aktiengesellschaft	-	-	733,916	-
BP Global	-	-	88	-
Total liabilities	4,460	4,034	741,328	6,175

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)
Operating expenses:				
Shared costs				
GNA Infra	227	-	-	-
UTE GNA 1	5,263	-	-	-
UTE GNA 2	881	-	-	-
Prumo Logística S.A.	(50)	-	(810)	-
Porto do Açú Operações S.A.	(80)	-	(339)	-
Total	6,241	-	(1,149)	-

The compensation of key management staff has been presented below:

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)
Executive Officers				
Management fees	(510)	(1,033)	(2,168)	(1,291)
Bonuses	(714)	(1,073)	(1,318)	(1,318)
Benefits and charges	(154)	(312)	(655)	(390)
Transfer of costs between companies	655	-	4	-
Total	(723)	(2,418)	(4,137)	(2,999)

6 Recoverable taxes

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	31/12/2018
Income tax withheld at source ("IRRF")	43	57	815	692
PIS and COFINS on imports	4	-	370	-
PIS and COFINS on fixed assets	50	-	621	-
Tax on service ("ISS")	4	18	4	269
	101	75	1,810	961
Income tax and social contribution ("IRPJ/CSLL")	1,740	-	2,350	490
Total	1,841	75	4,160	1,451
Current	1,801	75	3,672	1,451
Non-Current	40	-	488	-
Total	1,841	75	4,160	1,451

7 Prepaid expense

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	31/12/2018
Insurance premium (a)	293	17	40,372	33,433
Transaction cost (b)	683	-	147,346	33,873
Total	976	17	187,718	67,306
Current	965	4	169,000	46,328
Non-Current	11	13	18,717	20,978
Total	976	17	187,717	67,306

- (a) Insurance premiums: engineering risks, civil liability, transportation and bail.
- (b) Transaction cost to obtain financing from the thermal and LNG regasification terminal. The amounts are presented in current and non-current assets until the effective funding of financing resources occurs, where they will be from that moment, reclassified to the liability, as reducing accounts of the outstanding balance of the loans.

8 Deferred tax

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Deferred tax assets	-	-	14,912	7,019
Deferred tax liabilities	-	-	-	-
Total	-	-	14,912	7,019

	Consolidated	
	Deferred tax assets	Deferred tax liabilities
Balance as January 01, 2018	-	-
Change in the period	-	-
Change in other comprehensive income	-	-
Balance as June 30, 2018 (not reviewed)	-	-
Balance as January 01, 2019	7,019	-
Change in the period	7,893	-
Change in other comprehensive income	-	-
Balance as June 30, 2019 (not reviewed)	14,912	-

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)	6/30/2019 (not reviewed)	6/30/2018 (not reviewed)
Profit before tax	(13,639)	(14,261)	(32,688)	(14,473)
Income tax and social contribution rate	34%	34%	34%	34%
Deferred income and social contribution taxes (base x aliquot)	4,637	4,849	11,114	4,921
Additions:				
Provision for PLR	287	-	3,616	-
Provision for estimated loss	-	-	132	-
Pre-operating expenses	-	-	7,893	-
IFRS 16 Amortization	168	-	-	-
Share of profit (loss) of equity-accounted investees	(6,065)	-	-	-
Tax credits on unrecognized tax loss	4,478	-	(4,932)	-
Total deferred income and social contribution	(1,132)	-	6,709	-
Current	(1,132)	-	(1,184)	(174)
Deferred	-	-	7,893	-
Effective rate	-8%	0%	21%	-1%

Unrecognized deferred tax assets arising from tax losses and negative basis of social contribution however, the Company can only offset up to 30% of taxable income for the year

Technical feasibility studies indicate the full recovery capacity in the subsequent years of the recognized deferred tax amounts and correspond to Management's best estimates of the future evolution of the Company and the market in which it will start operations in 2021.

9 Equity-accounted investees

a. Equity interest

6/30/2019 (not reviewed)										
Direct investee	% interest	Number of shares / (thousand)	Assets	Liabilities	Equity	Capital	AFAC	Capital reserve	Adjustment of equity valuation	Accumulated loss
GNA Infra	95,03%	9,420	1,218,057	1,436	1,216,621	624,120	-	624,120	(385)	(31,234)
GNA II	49,50%	1	183,518	176,089	7,429	2	13,677	-	-	(6,250)
GNA Comercializadora	99,00%	1	-	-	-	1	-	-	-	(1)

12/31/2018										
Direct investee	% interest	Number of shares / (thousand)	Assets	Liabilities	Equity	Capital	AFAC	Capital reserve	Adjustment of equity valuation	Accumulated loss
GNA Infra	90.66%	4,783	594,136	3,488	590,648	302,854	-	302,855	-	(15,061)
GNA II	49.50%	72	15,407	2,989	12,418	72	13,607	-	-	(1,261)
GNA Comercializadora	99.00%	11	10	-	10	11	-	-	-	(1)

b. Movements on Investees

Direct investee	12/31/2018	Share capital	AFAC	Capital reserve	Net income	Adjustment of equity valuation	Gain and loss % change	6/30/2019 (not reviewed)
GNA Infra	535,457	321,265	-	321,265	(15,369)	(366)	(6,138)	1,156,114
GNA II	6,147	-	-	-	(2,470)	-	-	3,677
GNA Comercializadora	10	(10)	-	-	-	-	-	-
Total	541,614	321,255	-	321,265	(17,839)	(366)	(6,138)	1,159,791

Direct investee	31/12/2017	Share capital	AFAC	Capital reserve	Net income	Adjustment of equity valuation	Gain and loss % change	12/31/2018
GNA Infra	13,471	234,219	-	289,655	(13,607)	-	11,719	535,457
GNA II	1	35	6,735	-	(624)	-	-	6,147
GNA Comercializadora	-	10	-	-	-	-	-	10
Total	13,472	234,264	6,735	289,655	(14,231)	-	11,719	541,614

10 Property, plant and equipment

	Parent Company					Total
	Project development expenses	Leasehold improvements	IT equipment	Furniture and utensils	Machines and equipment	
Balance as of January 01, 2018	-	-	-	-	-	-
Additions	92	2,110	1,087	26	4	3,319
Depreciation	-	-	(81)	(4)	-	(85)
Balance as of December 31, 2018	92	2,110	1,006	22	4	3,234
Cost	92	1,746	1,087	390	4	3,319
Accumulated depreciation	-	-	(81)	(4)	-	(85)
Balance as of December 31, 2018	92	1,746	1,006	386	4	3,234
Additions	14	12	24	5	-	55
Depreciation	-	(36)	(109)	(19)	-	(164)
Balance as of June 30, 2019 (not reviewed)	106	1,722	921	372	4	3,125
Cost	106	1,758	1,111	395	4	3,374
Accumulated depreciation	-	(36)	(190)	(23)	-	(249)
Balance as of June 30, 2019 (not reviewed)	106	1,722	921	372	4	3,125
Annual depreciation rate %	0%	20%	20%	10%	10%	

	Consolidated							Total
	Advances for property, plant and equipment formation (*)	Works in progress and equipment under construction (**)	Project development expenses	Leasehold improvements	IT equipment	Furniture and utensils	Machines and equipment	
Balance as of January 01, 2018	8,138	3,922	-	-	-	-	-	12,060
Additions	327,177	460,181	488	1,746	1,365	502	4	791,463
Transfers	(56,822)	56,822	-	-	-	-	-	-
Depreciation	-	-	-	-	(96)	(5)	-	(101)
Balance as of December 31, 2018	278,493	520,925	488	1,746	1,269	497	4	803,422
Cost	278,493	520,925	488	1,746	1,365	502	4	803,523
Accumulated depreciation	-	-	-	-	(96)	(5)	-	(101)
Balance as of December 31, 2018	278,493	520,925	488	1,746	1,269	497	4	803,422
Additions	469,759	1,249,895	88	12	631	10	-	1,720,395
Transfers	(731,161)	731,161	-	-	-	-	-	-
Depreciation	-	-	-	(36)	(174)	(26)	-	(236)
Balance as of June 30, 2019 (not reviewed)	17,091	2,501,981	576	1,722	1,726	481	4	2,523,581
Cost	17,091	2,501,981	576	1,758	1,996	512	4	2,523,918
Accumulated depreciation	-	-	-	(36)	(270)	(31)	-	(337)
Balance as of June 30, 2019 (not reviewed)	17,091	2,501,981	576	1,722	1,726	481	4	2,523,581
Annual depreciation rate %	0%	0%	0%	20%	20%	10%	10%	

(*) Advance for formation of fixed assets: The balance of advances on June 30, 2019 consists of advances made to suppliers for equipment delivery.

(**) The works in progress as of June 30, 2019 consists of expenses incurred on works on the thermal power plant.

(***) Of the additions occurred in the period, the total amount of R\$ 733,916 had no cash flow effect, being a liability, as shown in note 5.

11 Intangible assets

	Useful life	Parent Company		Consolidated	
		6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	31/12/2018
Software licenses	5 years	15	15	934	828
Energy sale receivable (*)	23 years	-	-	30,000	30,000
Total		15	15	30,934	30,828

(*) By way of authorizing resolution 6769, on December 19, 2017 ANEEL transferred the energy trading right, The date scheduled for the start of the thermal power plant operation is January 1, 2021.

12 Right-of-use assets / Leases liabilities

IFRS 16 introduces a single model for the accounting of leases in the balance sheet for lessees. A lessee recognizes a right of use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. Exemptions are available for short-term leases and low value items.

The movement in the first six months of 2019 of the right of use and the lease liability is shown in the table below:

	Parent Company					6/30/2019 (not reviewed)
	1/1/2019	Amortization	Payments	Appropriate interest	Transfers	
Assets						
Right-of-use assets – Flamengo rooms	3,369	(389)	-	-	-	2,980
Right-of-use assets – IT Equipment and Coffee machine	514	(105)	-	-	-	408
	3,882	(494)	-	-	-	3,388
Liabilities						
Leases liabilities - current – Flamengo rooms	(281)	-	187	(137)	(62)	(292)
Leases liabilities - current – IT Equipment and Coffee machine	(43)	-	69	43	(108)	(39)
Leases liabilities - non-current – Flamengo rooms	(3,088)	-	-	-	62	(3,026)
Leases liabilities - non-current – IT Equipment and Coffee machine	(471)	-	-	-	108	(363)
	(3,882)	-	256	(94)	-	(3,720)
Operating expenses						
Right-of-use assets – Flamengo rooms	-	389	(187)	137	-	338
Right-of-use assets – IT Equipment and Coffee machine	-	105	(69)	(43)	-	(6)
	-	494	(256)	94	-	332

Consolidated						
	1/1/2019	Amortization	Payments	Appropriate interest	Transfers	6/30/2019 (not reviewed)
Assets						
Right-of-use assets – Land - UTE I	123,197	(2,821)	-	-	-	120,376
Right-of-use assets – Land - UTE II	169,155	(3,874)	-	-	-	165,281
Right-of-use assets – Flamengo rooms	3,369	(389)	-	-	-	2,980
Right-of-use assets – IT Equipment and Coffee machine	514	(105)	-	-	-	408
	296,234	(7,189)	-	-	-	289,045
Liabilities						
Leases liabilities - current – Land – UTE I	(10,266)	-	-	-	-	(10,266)
Leases liabilities - current – Land – UTE II	(14,096)	-	-	-	-	(14,096)
Leases liabilities - current – Flamengo rooms	(281)	-	187	(137)	(62)	(230)
Leases liabilities - current – IT Equipment and Coffee machine	(43)	-	69	43	(108)	69
Leases liabilities - non-current – Land - UTE I	(112,931)	-	-	-	-	(112,931)
Leases liabilities - non-current – Land - UTE II	(155,059)	-	-	-	-	(155,059)
Leases liabilities - non-current – Flamengo rooms	(3,088)	-	-	-	62	(3,088)
Leases liabilities - non-current – IT Equipment and Coffee machine	(471)	-	-	-	108	(471)
	(296,234)	-	256	(94)	-	(296,072)
Operating expenses						
Right-of-use assets – Land - UTE I	-	2,821	-	-	-	2,821
Right-of-use assets – Land - UTE II	-	3,874	-	-	-	3,874
Right-of-use assets – Flamengo rooms	-	389	(187)	137	-	338
Right-of-use assets – IT Equipment and Coffee machine	-	105	(69)	(43)	-	(6)
	-	7,189	(256)	94	-	7,027

After analyzing the adherence to IFRS 16, the Company identified leases contracts Flamengo Rooms, IT Equipment, Coffee machine, Land UTE I and Land UTE II as adhering to this standard.

13 Suppliers

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
National suppliers	219	375	157,439	7,977
Foreign suppliers	-	5	24,033	1,307
Total	219	380	181,472	9,284

14 Salaries and charges payable

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Bonuses Payable	711	1,978	4,390	5,328
Holiday payable	62	29	912	568
Holiday charges payable	26	14	594	329
13° Salary	27	-	566	-
13° Salary charges payable	10	-	212	-
National Institute of Social Security "INSS" payable	224	510	1,274	1,311
Guarantee fund for time of service "FGTS" payable	4	8	103	124
Insurance	5	4	21	15
Union contribution	-	-	6	1
Total	1,069	2,543	8,078	7,676

15 Taxes payable

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
Services tax ("ISS")	-	-	663	194
INSS third parties	2	2	23	10
Tax on the circulation of goods and services ("ICMS")	-	2	1,056	117
Income tax withheld at source ("IRRF")	69	136	324	1,002
PIS/COFINS	2	1	9	19
PIS/COFINS/ CSLL - Withheld	-	31	142	1,328
IPI	-	-	955	-
Import taxes	-	-	3,378	-
Total	73	172	6,550	2,670
Income tax and social contribution ("IRPJ/CSLL")	1,132	-	1,185	-
Total	1,205	172	7,735	2,670

16 Trade accounts payable

	Parent Company		Consolidated	
	6/30/2019 (not reviewed)	12/31/2018	6/30/2019 (not reviewed)	12/31/2018
TCCA - Termo de compromisso ambiental (a)	-	-	-	9,579
TCCA - Terminal (b)	-	-	1,456	-
Bolognesi Energia (c)	-	-	21,600	21,385
Total	-	-	23,056	30,964
Current	-	-	6,856	9,579
Non-Current	-	-	16,200	21,385
Total	-	-	23,056	30,964

- (a) Commitment term environmental compensation
The purpose of this term is to establish the environmental compensation provided for in article 36 of Federal Law 9,985/00, which established a value of R\$ 28,736, paid in 12 equal installments in the amount of R\$ 2,395.
On June 30, 2019, the Company has already paid 12 installments totaling the amount of R\$ 28,736.
- (b) Commitment term environmental compensation - Terminal
The purpose of this term is to establish the environmental compensation provided for in article 36 of Federal Law 9,985/00, which established a value of R\$ 2,495, to be paid in 12 equal installments in the amount of R\$ 207.
On June 30, 2019, the Company has already paid 5 installments, leaving 7 outstanding, totaling the amount of R\$ 1,456. This last installment will be paid on January 2020.
- (c) In the contract the payable amounts are divided into fixed installments. R\$ 30,000 has already been provisioned for, which will be restated annually by the IPCA price index until the effective payment. The variable installments will be recognized at the start of the operation and will be paid annually, on the first business day of the month of April, based on the audited financial statements for the previous year with installments equal to 3% calculated on the free cash flow from the shareholder, defined as:

- = EBITDA
- (+/-) working capital variation;
- (-) IR/CSSL paid;
- (-) finance expenses
- (+) financial revenue from reserve accounts *;
- (-) investment in maintenance;
- (-) amortization of financing;
- (+) disbursement of financing
- (+/-) change in reserve accounts *

If the reserve accounts are funded with operating cash generation, the formula above will not include the variation in the reserve account and corresponding finance income.

The nonpayment of any of the amounts established in this contract shall trigger monetary restatement according to the variance of the CDI rate until the effective payment date, in addition to arrears interest at 1% (one percent) a month, in addition to an arrears fine of 2% (two percent) of the debit balance.

17 Shareholders' equity

	Parent Company			
	6/30/2019 (not reviewed)		12/31/2018	
Shareholders	Number of common shares (thousand)	% Participation	Number of common shares (thousand)	% Participation
Prumo	253,315	70,00%	72,246	72,19%
BP	108,564	30,00%	27,829	27,81%
Total	361,879	100,00%	100,075	100,00%

a. Share Capital

At June 30, 2019, the Company's capital stock is R\$ 614,058, represented by 361,879 registered common shares with no par value (R\$ 156,377, represented by 100,075 registered common shares as of December 31, 2018). The contributions of capital increase made in the period are shown below:

	Shareholder's		Share capital
	Prumo	BP	
Opening balance			
01/01/2019	112,889	43,488	156,377
Payment date			
08/01/2019	44,335	19,001	63,336
15/02/2019	101,714	43,724	145,438
11/03/2019	25,120	10,766	35,886
01/04/2019	40,705	17,445	58,150
08/05/2019	-	10,711	10,711
16/05/2019	102,103	42,057	144,160
Total	426,866	187,192	614,058

b. Capital reserve

On June 30, 2019, the Company's capital reserve is R\$ 614,058, where Prumo owns R\$ 424,483 and BP R\$ 189,575 (On December 31, 2018, GNA HoldCo had R\$ 112,889 and to BP R\$ 43,488). The contributions of capital reserve increase made in the period are shown below:

	Shareholder's		Capital reserve
	Prumo	BP	
Opening balance			
01/01/2019	112,889	43,488	156,377
Payment date			
08/01/2019	44,335	19,001	63,336
15/02/2019	101,714	43,724	145,438
11/03/2019	25,120	10,766	35,886
01/04/2019	40,705	17,445	58,150
08/05/2019	-	10,711	10,711
16/05/2019	99,720	44,440	144,160
Total	424,483	189,575	614,058

c. Dividends

The Company's shares have an equal participation in dividend payments, interest on shareholders' equity and other shareholder benefits. The corporate by-laws determine the distribution of a minimum compulsory dividend of 25% of the net income for the year, adjusted in accordance with article 202 of Law 6404/76. The Company reported a loss in the financial year ended December 31, 2018 and did not pay out dividends.

18 General and administrative expenses

	Parent Company		Consolidated		Parent Company		Consolidated	
	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)
Personal	(1,196)	(10,076)	(22,870)	(12,614)	(1,226)	(6,609)	(13,102)	(9,126)
Legal expenses	1	(1)	(2,627)	(1)	5	-	(1,959)	-
Consulting and Audit	(50)	(202)	(1,003)	(203)	-	-	(653)	(1)
Taxes and fees	124	(34)	(2)	(156)	(58)	(31)	(99)	(145)
IT and Telecom	(409)	(39)	(1,121)	(41)	(308)	(26)	(853)	(28)
Communication and institutional matters	(263)	(42)	(783)	(42)	(185)	(26)	(550)	(26)
Environmental and land expenses	152	-	(474)	-	-	-	(355)	-
Travelling	872	(6)	(1,444)	(12)	(135)	(6)	(745)	(12)
Administrative services	5,486	(42)	2,580	(44)	(164)	(42)	(480)	(44)
Operational services	31	-	(2)	-	-	-	-	-
Insurances	(140)	-	(288)	-	(70)	-	(144)	249
Depreciation and amortization	(696)	-	(7,779)	-	(319)	-	(3,683)	-
Overhead and maintenance	369	-	(45)	-	(11)	-	(15)	-
Other third services	(191)	(2,030)	(796)	(2,029)	(50)	(1,314)	(371)	(1,313)
Other expenses	13	-	(74)	-	2	-	(1)	-
Total	4,103	(12,472)	(36,728)	(15,142)	(2,519)	(8,054)	(23,010)	(10,446)

19 Financial Results

As of June 30, 2019, the balance of finance income, as follows:

	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Six months period ended in 6/30/2019 (not reviewed)	Six months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)	Three months period ended in 6/30/2019 (not reviewed)	Three months period ended in 6/30/2018 (not reviewed)
Finance costs								
Bank expenses	(2)	(3)	(16)	(4)	(1)	(2)	(11)	(2)
Commissions and brokerages	(5)	(3)	(23)	(3)	(3)	(2)	(18)	(2)
Loss of Hedge operation (SWAP)	-	-	(1,505)	-	-	-	(1,505)	-
IOF	(23)	-	(84)	(265)	17	1	12	13
Withholding taxes on remittance abroad	-	-	-	-	-	-	-	121
Fine and interest	(4)	(7)	(33)	(80)	(1)	-	(29)	(73)
Interest IFRS 16	(94)	-	(94)	-	(94)	-	(94)	-
Exchange losses - IPCA	-	-	(500)	-	-	-	(310)	-
Exchange variation	(4)	-	(4,504)	-	3	-	(3,176)	-
	(132)	(13)	(6,759)	(352)	(79)	(3)	(5,131)	57
Finance income								
Interest on investments	228	136	3,365	1,040	89	102	1,186	994
Gain of Hedge operation (SWAP)	-	-	6,445	-	-	-	6,445	-
Exchange gains - IPCA	-	-	281	-	-	-	(4)	-
Monetary Variation - Government Securities	-	-	702	-	-	-	702	-
Other incomes	-	-	3	-	-	-	-	-
Exchange variation	-	4	-	4	-	4	-	4
	228	140	10,796	1,044	89	106	8,329	998
Net finance income	96	127	4,037	692	10	103	3,198	1,055